



Reprinted  
February 21, 2001

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## HOUSE BILL No. 1197

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DIGEST OF HB 1197 (Updated February 20, 2001 3:43 PM - DI 77)

**Citations Affected:** IC 16-18; IC 16-22; IC 34-6; IC 34-30.

**Synopsis:** County hospital privileges. Provides that a licensed health care provider of chiropractic, optometry, or podiatry is eligible for privileges to provide patient care at a county hospital. Allows a county hospital's governing board to establish certain standards and rules to govern a health care provider's practice in the hospital and the granting and retaining of a health care provider's privileges. Allows a health care provider to appear before a peer review committee before being granted privileges and to have a hearing before a peer review committee before the health care provider's privileges are terminated. Amends the definition of "professional health care provider" concerning a nonprofit health care organization. Exempts from civil liability certain activities of a peer review committee that are made in good faith.

**Effective:** January 1, 2002.

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### Kromkowski

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January 9, 2001, read first time and referred to Committee on Public Health.  
February 14, 2001, reported — Do Pass.  
February 20, 2001, read second time, amended, ordered engrossed.

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HB 1197—LS 6500/DI 104+



Reprinted  
February 21, 2001

First Regular Session 112th General Assembly (2001)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2000 General Assembly.

## HOUSE BILL No. 1197

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A BILL FOR AN ACT to amend the Indiana Code concerning health.

*Be it enacted by the General Assembly of the State of Indiana:*

1 SECTION 1. IC 16-18-2-163, AS AMENDED BY P.L.148-1999,  
2 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
3 JANUARY 1, 2002]: Sec. 163. (a) "Health care provider", for purposes  
4 of IC 16-21 and IC 16-41, means any of the following:

5 (1) An individual, a partnership, a corporation, a professional  
6 corporation, a facility, or an institution licensed or legally  
7 authorized by this state to provide health care or professional  
8 services as a licensed physician, a psychiatric hospital, a hospital,  
9 a health facility, an emergency ambulance service (IC 16-31-3),  
10 a dentist, a registered or licensed practical nurse, a midwife, an  
11 optometrist, a pharmacist, a podiatrist, a chiropractor, a physical  
12 therapist, a respiratory care practitioner, an occupational therapist,  
13 a psychologist, a paramedic, an emergency medical technician, or  
14 an advanced emergency technician, or a person who is an officer,  
15 employee, or agent of the individual, partnership, corporation,  
16 professional corporation, facility, or institution acting in the  
17 course and scope of the person's employment.

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(2) A college, university, or junior college that provides health care to a student, a faculty member, or an employee, and the governing board or a person who is an officer, employee, or agent of the college, university, or junior college acting in the course and scope of the person's employment.

(3) A blood bank, community mental health center, community mental retardation center, community health center, or migrant health center.

(4) A home health agency (as defined in IC 16-27-1-2).

(5) A health maintenance organization (as defined in IC 27-13-1-19).

(6) A health care organization whose members, shareholders, or partners are health care providers under subdivision (1).

(7) A corporation, partnership, or professional corporation not otherwise qualified under this subsection that:

(A) provides health care as one (1) of the corporation's, partnership's, or professional corporation's functions;

(B) is organized or registered under state law; and

(C) is determined to be eligible for coverage as a health care provider under IC 34-18 for the corporation's, partnership's, or professional corporation's health care function.

Coverage for a health care provider qualified under this subdivision is limited to the health care provider's health care functions and does not extend to other causes of action.

**(b) "Health care provider", for purposes of IC 16-22-3-9.5 and IC 16-22-8-39.5, means an individual who holds a valid license under Indiana law to practice:**

**(1) chiropractic;**

**(2) optometry; or**

**(3) podiatry.**

**(c) "Health care provider", for purposes of IC 16-35:**

**(1) has the meaning set forth in subsection (a); ~~However, for purposes of IC 16-35, the term also and~~**

**(2) includes a health facility (as defined in section 167 of this chapter).**

**~~(c)~~ (d) "Health care provider", for purposes of IC 16-36-5, means an individual licensed or authorized by this state under Indiana law to provide health care or professional services as:**

**(1) a licensed physician;**

**(2) a registered nurse;**

**(3) a licensed practical nurse;**

**(4) an advanced practice nurse;**



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- (5) a licensed nurse midwife;
- (6) a paramedic;
- (7) an emergency medical technician;
- (8) an advanced emergency medical technician; or
- (9) a first responder (as defined under IC 16-18-2-13+ in section 131 of this chapter).

The term includes an individual who is an employee or agent of a health care provider acting in the course and scope of the individual's employment.

SECTION 2. IC 16-22-3-9.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2002]: **Sec. 9.5. (a) The governing board may delineate privileges for the provision of patient care services by a health care provider.**

**(b) A health care provider is eligible for privileges to provide patient care services, but the governing board shall establish and enforce reasonable standards and rules concerning a health care provider's qualifications for the following:**

- (1) Practice in the hospital.**
- (2) Granting privileges to a health care provider.**
- (3) Retaining privileges.**

**(c) The fact that an applicant for privileges to provide patient care services is a health care provider may not serve as a basis for denying the applicant privileges to provide patient care services that are allowed under the professional license held by the applicant.**

**(d) The governing board may determine the types of health care procedures and treatments that are appropriate for an inpatient or outpatient hospital setting.**

**(e) The standards and rules described in subsection (b) may, in the interest of good patient care, allow the governing board to do the following:**

- (1) Consider a health care provider's:**
  - (A) postgraduate education;**
  - (B) training;**
  - (C) experience; and**
  - (D) other facts concerning the provider;****that may affect the provider's professional competence.**
- (2) Consider the scope of practice allowed under the professional license held by a health care provider.**
- (3) Limit privileges for admitting patients to the hospital to physicians licensed under IC 25-22.5.**



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(4) Limit responsibility for managing a patient's care to physicians licensed under IC 25-22.5.

(5) Limit or preclude a health care provider's performing x-rays or other imaging procedures in an inpatient or outpatient hospital setting. However, this subdivision does not affect the ability of a health care provider to order x-rays under the provider's scope of practice.

(f) The standards and rules described in subsection (b) may include a requirement for the following:

(1) Submitting proof that a health care provider is qualified under IC 34-18-3-2.

(2) Performing patient care and related duties in a manner that is not disruptive to the delivery of quality care in the hospital setting.

(3) Maintaining standards of quality care that recognize the efficient and effective utilization of hospital resources as developed by the hospital's medical staff.

(g) The standards and rules described in subsection (b) must allow a health care provider who applies for privileges an opportunity to appear before a peer review committee established or designated by the governing board to make recommendations regarding applications for privileges by health care providers before the peer review committee makes its recommendations regarding the applicant's request for privileges.

(h) The board must provide for a hearing before a peer review committee for a health care provider whose privileges are recommended for termination based upon the provider's provision of patient care services.

SECTION 3. IC 16-22-8-39.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2002]: Sec. 39.5. (a) The governing board may delineate privileges for the provision of patient care services by a health care provider.

(b) A health care provider is eligible for privileges to provide patient care services, but the governing board shall establish and enforce reasonable standards and rules concerning a health care provider's qualifications for the following:

(1) Practice in the hospital.

(2) Granting privileges to a health care provider.

(3) Retaining privileges.

(c) The fact that an applicant for privileges to provide patient care services is a health care provider may not serve as a basis for



denying the applicant privileges to provide patient care services that are allowed under the professional license held by the applicant.

(d) The governing board may determine the types of health care procedures and treatments that are appropriate for an inpatient or outpatient hospital setting.

(e) The standards and rules described in subsection (b) may, in the interest of good patient care, allow the governing board to do the following:

(1) Consider a health care provider's:

(A) postgraduate education;

(B) training;

(C) experience; and

(D) other facts concerning the provider;

that may affect the provider's professional competence.

(2) Consider the scope of practice allowed under the professional license held by a health care provider.

(3) Limit privileges for admitting patients to the hospital to physicians licensed under IC 25-22.5.

(4) Limit responsibility for managing a patient's care to physicians licensed under IC 25-22.5.

(5) Limit or preclude a health care provider's performing x-rays or other imaging procedures in an inpatient or outpatient hospital setting. However, this subdivision does not affect the ability of a health care provider to order x-rays under the provider's scope of practice.

(f) The standards and rules described in subsection (b) may include a requirement for the following:

(1) Submitting proof that a health care provider is qualified under IC 34-18-3-2.

(2) Performing patient care and related duties in a manner that is not disruptive to the delivery of quality care in the hospital setting.

(3) Maintaining standards of quality care that recognize the efficient and effective utilization of hospital resources as developed by the hospital's medical staff.

(g) The standards and rules described in subsection (b) must allow a health care provider who applies for privileges an opportunity to appear before a peer review committee established or designated by the governing board to make recommendations regarding applications for privileges by health care providers before the peer review committee makes its recommendations

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1 regarding the applicant's request for privileges.

2 (h) The board must provide for a hearing before a peer review  
3 committee for a health care provider whose privileges are  
4 recommended for termination based upon the provider's provision  
5 of patient care services.

6 SECTION 4. IC 34-6-2-117, AS AMENDED BY P.L.60-2000,  
7 SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
8 JANUARY 1, 2002]: Sec. 117. "Professional health care provider", for  
9 purposes of IC 34-30-15, means:

- 10 (1) a physician licensed under IC 25-22.5;
- 11 (2) a dentist licensed under IC 25-14;
- 12 (3) a hospital licensed under IC 16-21;
- 13 (4) a podiatrist licensed under IC 25-29;
- 14 (5) a chiropractor licensed under IC 25-10;
- 15 (6) an optometrist licensed under IC 25-24;
- 16 (7) a psychologist licensed under IC 25-33;
- 17 (8) a pharmacist licensed under IC 25-26;
- 18 (9) a health facility licensed under IC 16-28-2;
- 19 (10) a registered or licensed practical nurse licensed under  
20 IC 25-23;
- 21 (11) a physical therapist licensed under IC 25-27;
- 22 (12) a home health agency licensed under IC 16-27-1;
- 23 (13) a community mental health center (as defined in  
24 IC 12-7-2-38);
- 25 (14) a health care organization whose members, shareholders, or  
26 partners are:
  - 27 (A) professional health care providers described in  
28 subdivisions (1) through (13);
  - 29 (B) professional corporations comprised of health care  
30 professionals (as defined in IC 23-1.5-1-8); or
  - 31 (C) professional health care providers described in  
32 subdivisions (1) through (13) and professional corporations  
33 comprised of persons described in subdivisions (1) through  
34 (13);
- 35 (15) a private psychiatric hospital licensed under IC 12-25;
- 36 (16) a preferred provider organization (including a preferred  
37 provider arrangement or reimbursement agreement under  
38 IC 27-8-11);
- 39 (17) a health maintenance organization (as defined in  
40 IC 27-13-1-19) or a limited service health maintenance  
41 organization (as defined in IC 27-13-34-4);
- 42 (18) a respiratory care practitioner licensed under IC 25-34.5;



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- (19) an occupational therapist certified under IC 25-23.5;
- (20) a state institution (as defined in IC 12-7-2-184);
- (21) a clinical social worker who is licensed under IC 25-23.6-5-2;
- (22) a managed care provider (as defined in IC 12-7-2-127(b)); or
- (23) a nonprofit health care organization ~~affiliated with a hospital that is owned or operated by a religious order, whose members are members of that religious order.~~ **with one (1) or more hospital affiliates.**

SECTION 5. IC 34-6-2-117.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2002]: **Sec. 117.5. "Professional review activity", for purposes of IC 34-30-15, means an activity of a peer review committee with respect to a professional health care provider to:**

- (1) determine whether the professional health care provider may have privileges for the provision of patient care services;**
- (2) determine the scope or conditions of privileges for the provision of patient care services; or**
- (3) change or modify privileges for the provision of patient care services.**

**The term includes the establishment and enforcement of standards and rules by the governing board of a hospital licensed under IC 12-25 or IC 16-21 concerning practice in the hospital and the granting and retaining of privileges within the hospital.**

SECTION 6. IC 34-30-15-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2002]: Sec. 15. There is no liability on the part of, and no action of any nature shall arise against, **an organization, a peer review committee, or** the personnel of a peer review committee for any act, statement made in the confines of the **organization or** committee, or proceeding of the **organization or** committee made in good faith in regard to:

- (1) evaluation of patient care as that term is defined and limited in IC 34-6-2-44; or**
- (2) professional review activity as defined and limited in IC 34-6-2-117.5.**

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## COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Health, to which was referred House Bill 1197, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

BROWN C, Chair

Committee Vote: yeas 10, nays 2.

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HB 1197—LS 6500/DI 104+



## HOUSE MOTION

Mr. Speaker: I move that House Bill 1197 be amended to read as follows:

Page 4, line 20, after "established" insert "**or designated**".

Page 4, line 27, after "termination" insert "**based upon the provider's provision of patient care services**".

Page 5, line 38, after "established" insert "**or designated**".

Page 6, line 3, after "termination" insert "**based upon the provider's provision of patient care services**".

Page 6, between lines 3 and 4, begin a new paragraph and insert:

"SECTION 4. IC 34-6-2-117, AS AMENDED BY P.L.60-2000, SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2002]: Sec. 117. "Professional health care provider", for purposes of IC 34-30-15, means:

- (1) a physician licensed under IC 25-22.5;
- (2) a dentist licensed under IC 25-14;
- (3) a hospital licensed under IC 16-21;
- (4) a podiatrist licensed under IC 25-29;
- (5) a chiropractor licensed under IC 25-10;
- (6) an optometrist licensed under IC 25-24;
- (7) a psychologist licensed under IC 25-33;
- (8) a pharmacist licensed under IC 25-26;
- (9) a health facility licensed under IC 16-28-2;
- (10) a registered or licensed practical nurse licensed under IC 25-23;
- (11) a physical therapist licensed under IC 25-27;
- (12) a home health agency licensed under IC 16-27-1;
- (13) a community mental health center (as defined in IC 12-7-2-38);
- (14) a health care organization whose members, shareholders, or partners are:
  - (A) professional health care providers described in subdivisions (1) through (13);
  - (B) professional corporations comprised of health care professionals (as defined in IC 23-1.5-1-8); or
  - (C) professional health care providers described in subdivisions (1) through (13) and professional corporations comprised of persons described in subdivisions (1) through (13);
- (15) a private psychiatric hospital licensed under IC 12-25;
- (16) a preferred provider organization (including a preferred provider arrangement or reimbursement agreement under

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IC 27-8-11);

(17) a health maintenance organization (as defined in IC 27-13-1-19) or a limited service health maintenance organization (as defined in IC 27-13-34-4);

(18) a respiratory care practitioner licensed under IC 25-34.5;

(19) an occupational therapist certified under IC 25-23.5;

(20) a state institution (as defined in IC 12-7-2-184);

(21) a clinical social worker who is licensed under IC 25-23.6-5-2;

(22) a managed care provider (as defined in IC 12-7-2-127(b)); or

(23) a nonprofit health care organization ~~affiliated with a hospital that is owned or operated by a religious order, whose members are members of that religious order.~~ **with one (1) or more hospital affiliates.**

Page 6, line 8, delete "established by a hospital licensed under IC 16-21".

Page 6, line 11, delete "with respect to the hospital" and insert **"for the provision of patient care services"**.

Page 6, line 12, after "of" delete "the".

Page 6, line 12, after "privileges" insert **"for the provision of patient care services"**.

Page 6, line 13, after "modify" delete "the".

Page 6, line 13, after "privileges" insert **"for the provision of patient care services"**.

Page 6, line 15, after "hospital" insert **"licensed under IC 12-25 or IC 16-21"**.

Renumber all SECTIONS consecutively.

(Reference is to HB 1197 as printed February 15, 2001.)

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